

HOUSE COMMITTEE OF REFERENCE REPORT

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Chairman of Committee

April 24, 2008  
Date

Committee on Business Affairs and Labor.

After consideration on the merits, the Committee recommends the following:

HB08-1402 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

- 1 Amend printed bill, page 2, strike lines 2 through 20.
- 2 Strike page 3.
- 3 Page 4, strike line 1 and substitute the following:
  - 4 "SECTION 1. 38-38-102.5, Colorado Revised Statutes, is
  - 5 RECREATED AND REENACTED, WITH AMENDMENTS, to read:
    - 6 **38-38-102.5. Notice prior to residential foreclosure - hotline.**
    - 7 (1) AS USED IN THIS SECTION, "HOLDER" MEANS THE HOLDER OF AN
    - 8 EVIDENCE OF DEBT";
    - 9 strike lines 4 and 5;
    - 10 line 6, strike "(d), "HOLDER"" and substitute "ON THE HOLDER'S BEHALF.
    - 11 "HOLDER"";
    - 12 strike lines 9 through 20;
    - 13 strike lines 25 through 27 and substitute the following:
      - 14 "CONTAINING THE TELEPHONE NUMBER OF THE COLORADO FORECLOSURE
      - 15 HOTLINE AND THE DIRECT TELEPHONE NUMBER OF THE LOSS MITIGATION

1 DEPARTMENT."

2 Strike pages 5 and 6.

3 Page 7, strike lines 1 through 25 and substitute the following:

4 "SECTION 2. Part 7 of article 32 of title 24, Colorado Revised  
5 Statutes, is amended BY THE ADDITION OF A NEW SECTION to  
6 read:

7 **24-32-719. Foreclosure prevention - outreach efforts - grant**  
8 **fund - creation - administration.** (1) THERE IS HEREBY CREATED IN THE  
9 STATE TREASURY THE FORECLOSURE PREVENTION GRANT FUND. THE FUND  
10 SHALL CONSIST OF MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY AS  
11 WELL AS GIFTS, GRANTS, AND DONATIONS, WHICH THE DIVISION IS HEREBY  
12 AUTHORIZED AND DIRECTED TO SOLICIT, ACCEPT, AND DISBURSE FOR THE  
13 PURPOSE OF MAKING GRANTS AS PROVIDED IN THIS SECTION. ANY MONEYS  
14 IN SUCH FUND AT THE END OF ANY FISCAL YEAR SHALL NOT REVERT TO  
15 THE GENERAL FUND.

16 (2) UPON THE APPROVAL OF THE STATE HOUSING BOARD, THE  
17 DIVISION MAY MAKE A GRANT FROM MONEYS IN THE FUND TO ANY LOCAL  
18 HOUSING AUTHORITY, PUBLIC NONPROFIT CORPORATION, OR PRIVATE  
19 NONPROFIT CORPORATION FOR THE SOLE PURPOSE OF PROVIDING  
20 OUTREACH AND NOTICE OF FORECLOSURE PREVENTION ASSISTANCE TO  
21 PERSONS IN DANGER OF FORECLOSURE AND TO COMMUNITIES WITH HIGH  
22 FORECLOSURE RATES. GRANTS SHALL BE MADE SUBJECT TO PROPOSALS  
23 RECEIVED BY THE DIVISION AND AWARDED BASED UPON CRITERIA  
24 DETERMINED BY THE DIVISION, WHICH CRITERIA SHALL INCLUDE:

25 (a) EVIDENCE OF THE ABILITY TO USE FUNDS EFFECTIVELY;

26 (b) AN ESTABLISHED PRESENCE IN THE COMMUNITY, WITH  
27 PREFERENCE GIVEN TO ORGANIZATIONS WITH MEMBERS IN LOW- AND  
28 MODERATE-INCOME AREAS WITH HIGH FORECLOSURE RATES; AND

29 (c) A DEMONSTRATED ABILITY TO REACH HOMEOWNERS FROM  
30 CONSTITUENCIES AND COMMUNITIES WITH HIGH FORECLOSURE RATES.

31 (3) ON OR BEFORE JANUARY 1, 2009, AND ON OR BEFORE EACH  
32 JANUARY 1 THEREAFTER, THE DIVISION SHALL REPORT TO THE BUSINESS

1 AFFAIRS AND LABOR COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND  
2 THE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE OF THE SENATE, OR  
3 THEIR SUCCESSOR COMMITTEES, ON THE DIVISION'S RECEIPTS AND  
4 EXPENDITURES PURSUANT TO THIS SECTION. THE DIVISION'S REPORT  
5 SHALL CONTAIN QUANTIFIED RESULTS OF OUTCOMES, INCLUDING DATA AS  
6 TO THE NUMBER OF CALLS TO THE FORECLOSURE HOTLINE AND THE  
7 NUMBERS OF DEFAULTS, FORECLOSURES, AND REDEMPTIONS IN IDENTIFIED  
8 GEOGRAPHIC AREAS.

9           **SECTION 3. Appropriation.** (1) In addition to any other  
10 appropriation, there is hereby appropriated, out of any moneys in the  
11 general fund not otherwise appropriated, to the foreclosure prevention  
12 grant fund created in section 24-32-719, Colorado Revised Statutes, for  
13 the fiscal year beginning July 1, 2008, the sum of one hundred thousand  
14 dollars (\$100,000), or so much thereof as may be necessary, for the  
15 implementation of this act.

16           (2) In addition to any other appropriation, there is hereby  
17 appropriated, out of any moneys in the foreclosure prevention grant fund  
18 not otherwise appropriated, to the department of local affairs, for  
19 allocation to the division of housing, for the fiscal year beginning July 1,  
20 2008, the sum of one hundred thousand dollars (\$100,000), or so much  
21 thereof as may be necessary, for the implementation of this act."

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